

## **Community Connect Broadband Grant Program Frequently Asked Questions**

**Q: We would like to serve our entire rural county with our project. May we use data for the county to determine rurality and economic need scoring criteria?**

A: A county is not an eligible community in this program and therefore no county data may be used for the scoring data that you must submit for the program. This is a community based program. Your project must serve one and only one rural (not more than 20,000 population) U.S. Census community, designated as one of the following in the census factfinder: city, village, town, borough or CDP. Once you have determined an eligible rural U.S. Census community for your project, you may include additional non-Census communities located in the contiguous areas outside this Census community's boundaries that are not recognized (due to size) in the U.S. Census - but you must provide documentation, acceptable to RUS, as to their existence. Acceptable documentation is: county or state map, or commercial atlas map, showing location and approximate population.

**Q: We would like to establish a system that will serve a region that includes several communities, rather than just one community. Smaller communities alone cannot sustain an infrastructure after the grant has expired, but a group of communities could benefit from economies of scale.**

A: Each application must serve one and only one rural U.S. Census community. We agree with your belief that communities that can be grouped present a more attractive business case than communities that cannot. Commercial providers will serve these communities long before they will serve isolated communities. This program and its scant resources are for these isolated communities who do not attract other providers.

**Q: Is there a list of communities in the U.S. that have broadband and those that don't?**

A: We are not aware of any such list. Most applicants conduct independent research to determine if a community has broadband or they are already sufficiently familiar with the community to know that there isn't any broadband available. On the Telecommunications Program website, there is a listing of communities with approved and pending broadband loan applications, however these communities are not automatically excepted from the Community Connect Grant Program (for the list see: <http://www.usda.gov/rus/telecom/index.htm>, then choose "Broadband Communities Listing of Approved & Pending Loan Applications"). Broadband availability is changing all the time. We check communities for broadband availability prior to making the grant awards.

**Q: Our community has broadband DSL in a few central locations, but not in the whole community. Many areas of our community are not served. May we apply to extend broadband service to these unserved locations?**

A: Projects must serve a rural area throughout which Broadband Transmission Service does not currently exist.

**Q: There is a business in our community that has a T-1 line. However there is no other broadband available in the community. Is our community eligible?**

A: Although a T-1 line certainly meets the 200 kbps broadband definition, it is not what we consider "broadband availability" when considering the price. T-1 lines are very expensive and usually out of reach of affordability for most residents, as well as many small businesses. Communities with only business broadband services, but no residential broadband service available, do meet the "no broadband available" eligibility requirement.

**Q: We are a community that is interested in applying for a grant, but we intend to contract out the provision of broadband service. Is this an eligible project structure?**

A: No, the applicant must own and operate the broadband facilities proposed in its application. The applicant may not contract the provision of broadband service. If your community does not intend to own the broadband facilities, a commercial broadband service provider may be the legal applicant. The community may support the applicant in the preparation of its application and provide letters of support, to enhance the application.

**Q: We are a school (or community college, or university). May we apply to this grant program?**

A: Yes, a school may apply. However, a school, just like all applicants, must fulfill all the requirements for an eligible applicant, including that it must have the legal capacity and authority to own and operate the broadband facilities as proposed in its application, to enter into contracts and to otherwise comply with applicable federal statutes and regulations. The school, if it is the applicant, may not contract the provision of broadband service. Schools or communities may also wish to consider locating a service provider to be the legal applicant which would serve the community in which the school is located.

**Q: Are incumbent local exchange carriers eligible for grant money?**

A: Yes, as long as they meet all the applicant eligibility requirements. Incumbent local exchange carrier applicants should keep in mind that facilities financed may not be used, in any way, to provide local exchange telecommunications service to any person or entity where it currently exists.

**Q: What type of broadband technology may be used in this program?**

A: A project may use any technology that meets the definition of 200 kbps in each direction and is offered to residents and businesses at a reasonable price. Examples of technologies funded to date include: DSL, terrestrial wireless, cable modem, and fiber to the premises (FTTP).

**Q: For our project we would like to combine a T-1 backbone with terrestrial wireless distribution technology. Is this type of project eligible?**

A: Yes, as long as it meets all the service requirements and offers residential service at a reasonable price.

**Q: The per capita income shown in the U.S. census does not adequately reflect the economic need of our community. May we use other criteria, for example, median income?**

A: No. The per capita income is the standard measure of economic need for this program. At this time we believe it predicts a community's market potential for broadband connectivity.

**Q: Broadband satellite service is available in our community. Is our community eligible?**

A: Yes, because we do not consider satellite service to be available broadband. Satellite broadband is generally available throughout the nation, and if we consider it to be "available broadband", no community in the nation would be eligible for this program. Congress continues to appropriate funding for the program and Congress is certainly aware of the availability of satellite broadband. The principal characteristic that sets satellite broadband apart from cable modem and DSL is pricing. For many rural households, satellite broadband is not affordable. If at some point satellite broadband becomes comparable in cost to terrestrial services available in urban areas, the focus of the program would need to change.